

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE WESTERN DISTRICT OF TEXAS  
AUSTIN DIVISION**

<b>IN RE:</b> <b>TEXASWATERSERVICES, LLC</b>  <b>DEBTOR</b>	§ § § §	<b>CASE NO. 24-10020</b>
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**DEBTOR'S MOTION TO DISMISS**

**THIS PLEADING REQUESTS RELIEF THAT MAY BE ADVERSE TO YOUR INTERESTS. IF NO TIMELY RESPONSE IS FILED WITHIN 21 DAYS FROM THE DATE OF SERVICE, THE RELIEF REQUESTED HEREIN MAY BE GRANTED WITHOUT A HEARING BEING HELD.**

**A TIMELY FILED RESPONSE IS NECESSARY FOR A HEARING TO BE HELD.**

TO THE HONORABLE UNITED STATES BANKRUPTCY JUDGE:

COMES NOW, TexasWaterServices, LLC ("Debtor") and files this Motion to Dismiss pursuant to 11 U.S.C. § 1112(b). The Debtor presents this motion and respectfully represents the following:

**JURISDICTION**

1. This Court has jurisdiction over this matter pursuant to 28 U.S.C. § 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2).
2. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.
3. The basis for the relief requested herein is 11 U.S.C. § 1112(b) and Rule 1017 of the Bankruptcy Local Rules for the Western District of Texas.

**PROCEDURAL BACKGROUND**

4. On January 8, 2024, the Debtor filed a voluntary petition for relief under Chapter 11, Subchapter V of Title 11 of the United States Code, 11 U.S.C. §§ 101-1532.
5. This case has not been previously converted from another Chapter of Title 11.

6. The Debtor is currently a debtor-in-possession.

### **FACTUAL BACKGROUND**

7. Debtor operates a plumbing business in the Austin area.

8. Unfortunately, Debtor is not generating sufficient revenues to propose a feasible, good faith, plan of reorganization. Debtor has no realistic hope that revenues will increase and has therefore determined that it is in the best interest of all parties to dismiss this case.

9. Debtor believes that cause exists to dismiss this case. Dismissal at this early stage of the case avoids incurring unnecessary expenses. Vehicles comprise the bulk of the secured assets, and dismissal of this case will allow creditors to quickly execute their rights as to the collateral.

10. Debtor's counsel has conferred with both the Subchapter V Trustee and the U.S. Trustee, and dismissal is agreed.

11. Debtor requests dismissal with prejudice for 180 days.

### **ARGUMENT**

#### Dismissal is appropriate under 11 U.S.C. § 1112(b)

12. Dismissal is in the best interests of both the creditors and the estate and is appropriate under § 1112(b), which provides that “the Court shall convert a case under this chapter to a case under chapter 7 *or* dismiss a case under this chapter, *whichever is in the best interests of creditors and the estate*, for cause . . .” (emphasis added).

13. “Cause” under this statute to dismiss exists because Debtor will be unable to confirm a reorganization plan due to insufficient revenues.

14. Dismissal is a better option than conversion. The secured creditors with liens on vehicles will be able to enforce their lien rights on those vehicles once the automatic stay is

removed. Furthermore, there was only about \$2,500 cash on hand when this case was filed less than three weeks ago, and that amount has not appreciably increased.

15. Dismissal will still allow the Chapter 11 administrative claims to get paid, which is in the best interest of creditors and the estate. By dismissing so early in the case, Debtor avoided incurring significant administrative expenses.

### **PRAYER**

WHEREFORE, PREMISES CONSIDERED, the Debtor respectfully requests that this case be dismissed with prejudice to refiling for 180 days.

Respectfully submitted,

THE LANE LAW FIRM, PLLC

/s/ Robert C. Lane

Robert C. Lane

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PROPOSED COUNSEL FOR DEBTOR

**CERTIFICATE OF CONFERENCE**

I hereby certify that I have conferred with Shane Tobin, counsel for the U.S. Trustee, and Eric Terry, Subchapter V Trustee regarding the filing of this motion. They are both agreed to the relief sought in this motion.

**CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the Motion to Dismiss was served upon the US Trustee and to the parties listed on the service list below and the attached mailing matrix either via electronic notice by the court's ECF noticing system or by United States first class mail, postage prepaid, on January 26, 2024:

**Debtor:**

TexasWaterServices, LLC  
1700 Bryant Dr. Ste 203  
Round Rock, TX 78664

**US Trustee:**

Office of the U.S. Trustee  
903 San Jacinto Blvd  
Room 230  
Austin, Texas 78701  
[Ustpreregion07.au.ecf@usdoj.gov](mailto:Ustpreregion07.au.ecf@usdoj.gov)

**ECF Notices:**

Steven B. Bass on behalf of Creditor United States Internal Revenue Service  
[Steven.Bass@usdoj.gov](mailto:Steven.Bass@usdoj.gov), [tina.travieso@usdoj.gov](mailto:tina.travieso@usdoj.gov)

Robert Chamless Lane on behalf of Debtor TexasWaterServices, LLC  
[chip.lane@lanelaw.com](mailto:chip.lane@lanelaw.com), [thelanelawfirm@jubileebk.net](mailto:thelanelawfirm@jubileebk.net); [notifications@lanelaw.com](mailto:notifications@lanelaw.com)

Julie A. Parsons on behalf of Creditor The County of Williamson, Texas  
[jparsons@mvalaw.com](mailto:jparsons@mvalaw.com),  
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Shane P. Tobin on behalf of U.S. Trustee United States Trustee - AU12  
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/s/Robert C. Lane  
Robert C. Lane

Label Matrix for local noticing  
0542-1  
Case 24-10020-smr  
Western District of Texas  
Austin  
Fri Jan 26 09:07:33 CST 2024

TexasWaterServices, LLC  
1700 Bryant Dr. Ste 203  
Round Rock, TX 78664-3899

United States Trustee (SMG111)  
United States Trustee  
903 San Jacinto Blvd, Suite 230  
Austin, TX 78701-2450

U.S. BANKRUPTCY COURT  
903 SAN JACINTO, SUITE 322  
AUSTIN, TX 78701-2450

ACAR Leasing LTD d/b/a GM Financial Leasing  
P.O. Box 183853  
Arlington, TX 76096-3853

Ally  
PO Box 380901  
Minneapolis, MN 55438-0901

Ally Bank  
AIS Portfolio Services, LLC  
4515 N Santa Fe Ave. Dept. APS  
Oklahoma City, OK 73118-7901

Ally Financial  
PO Box 9001951  
Louisville, KY 40290-1951

American Express  
Bankruptcy Unit  
P.O. Box 297817  
Fort Lauderdale, FL 33329-7817

American Express National Bank, AENB  
c/o Zwicker and Associates, P.C.  
Attorneys/Agents for Creditor  
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Andover, MA 01810-0943

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(p)CHANNEL PARTNERS CAPITAL LLC  
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MINNETONKA MN 55305-1576

Charter Communications Operating, LLC  
c/o Corporation Service Company  
dba CSC - La  
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Austin, TX 78701-3218

Citgo Fleet Universal  
1 Hancock Street  
Portland, ME 04101-4217

Corporate Turnaround  
95 North Route 17 Suite 310  
Paramus, NJ 07652-2626

DFA Leasing  
2120 Church Ave  
Troy, TX 76579-2711

DataNet Systems Inc  
5926 Balcones Drive  
Austin, TX 78731-4290

Dwayne Justice  
1622 Belvedere Place  
Round Rock, TX 78665-5658

E-Barnett/Home Depot  
PO Box 404284  
Atlanta, GA 30384-4284

FNBO Master Card  
1620 Dodge Street  
Omaha, NE 68197-0003

GB Collects  
1253 Haddonfield Berlin Rd  
Voorhees, NJ 08043-4847

GM Financial  
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Arlington, TX 76014-4106

GM Financial  
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Azle, TX 76098

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Austin, TX 78758-2577

Internal Revenue Service  
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Philadelphia, PA 19101-7346

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Houston, TX 77254-0909

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El Dorado, AR 71730-5836

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Edina, MN 55439-3117

STEVEN B. BASS  
Assistant United States Attorney  
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ServiceTitan, Inc.  
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211 E. 7th Street 620  
Austin, TX 78701-3218

Szabo Associates Inc.  
3355 Lenox Road NE 945  
Atlanta, GA 30326-1395

The County of Williamson, Texas  
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Round Rock, TX 78680-1269

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Tranza, Inc. dba Bryant Business Center  
c/o CSA Management Inc.  
9011 Mountain Ridge Dr 200  
Austin, TX 78759-7251

UniFirst Corporation  
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Austin, TX 78721-3631

United States Trustee - AU12  
United States Trustee  
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Austin, TX 78701-2450

Western Equipment Finance  
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Devils Lake, ND 58301-0640

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The Lane Law Firm PLLC  
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The preferred mailing address (p) above has been substituted for the following entity/entities as so specified by said entity/entities in a Notice of Address filed pursuant to 11 U.S.C. 342(f) and Fed.R.Bank.P. 2002 (g) (4).

Channel Partners Capital LLC  
11100 Wayzata Blvd  
Minnetonka, MN 55305-5537

The following recipients may be/have been bypassed for notice due to an undeliverable (u) or duplicate (d) address.

(d)TexasWaterServices, LLC

End of Label Matrix

1700 Bryant Dr. Ste 203

Mailable recipients 49

Round Rock, TX 78664-3899

Bypassed recipients 1

Total 50